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By: **Chairman, Ways and Means Committee (By Request - Departmental - Assessments and Taxation)**

Introduced and read first time: January 21, 2004

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Exemptions**

3 FOR the purpose of requiring that certain applications must be filed on or before  
4 certain dates for certain abatement of property tax after the transfer of certain  
5 real or personal property; and generally relating to applications for certain  
6 property tax exemptions.

7 BY repealing and reenacting, with amendments,  
8 Article - Tax - Property  
9 Section 7-104 and 11-103  
10 Annotated Code of Maryland  
11 (2001 Replacement Volume and 2003 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Tax - Property**

15 7-104.

16 (a) Except as provided in subsection (c) of this section and in §§ 7-202 and  
17 7-215 of this title, property tax on wholly exempt property shall be abated for the  
18 taxable year that follows the date on which the property became exempt.

19 (b) If an owner of property subject to an exemption on June 30 files an  
20 application for abatement on or before the following September 1 with the  
21 Department or the supervisor, the tax is abated for the taxable year.

22 (c) If property that is exempt from property tax is transferred to a person  
23 whose use of the property qualifies the property for an exemption from the date of  
24 transfer, then the property tax shall be abated from that date IF THE TRANSFEREE:

25 (1) FILES AN APPLICATION UNDER § 7-103 OF THIS SUBTITLE ON OR  
26 BEFORE SEPTEMBER 1 OF THE FOLLOWING TAXABLE YEAR; OR

1 (2) FILES AN APPLICATION UNDER § 7-225 OF THIS TITLE ON OR BEFORE  
2 1 YEAR AFTER THE FIRST ASSESSMENT NOTICE, WHICH INCLUDES THE  
3 MANUFACTURING PERSONAL PROPERTY, IS ISSUED AFTER THE DATE OF THE  
4 TRANSFER.

5 11-103.

6 (a) If a person who has filed a report under this title determines that  
7 information was not reported accurately, the person may file an amended report  
8 within 3 years after the April 15th that the original report was due.

9 (b) A person filing an amended report under subsection (a) of this section may  
10 only claim an exemption for personal property used in manufacturing if an exemption  
11 for personal property used in the manufacturing process was previously approved for  
12 that taxable year under §§ 7-104(b) and 7-225(d) OR UNDER §§ 7-104(C) AND 7-225(D)  
13 of this article.

14 (c) After reviewing an amended report, the Department shall:

15 (1) issue a corrected assessment notice; or

16 (2) notify the person that the original assessment notice will not be  
17 adjusted.

18 (d) A person who receives a notice under subsection (c) of this section may  
19 appeal the change in value or classification related to the corrected information or the  
20 denial notice as provided in § 14-504 of this article.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
22 effect October 1, 2004, and shall be applicable to all taxable years beginning after  
23 December 31, 2004.